

MARICOPA ASSOCIATION OF GOVERNMENTS

INFORMATION SUMMARY... for your review

DATE:

October 28, 2003

SUBJECT:

Status Update on the June 30, 2003 Single Audit and Management Letter Comments, MAG's Comprehensive Annual Financial Report (CAFR) and OMB Circular A-133 Reports (i.e., "Single Audit") for the Fiscal Year Ended June 30, 2003

SUMMARY:

The public accounting firm of Deloitte & Touche LLP is in the process of completing the audit of MAG's Comprehensive Annual Financial Report (CAFR) and Single Audit for the fiscal year ended June 30, 2003. For Fiscal Year 2003, MAG implemented Governmental Accounting Standard Board Statement #34. We are awaiting an audit opinion from Deloitte & Touche and expect that one will be issued no later than mid-November. To date there has been no discussion regarding reportable conditions or instances of noncompliance.

The CAFR financial statements and related footnotes were prepared in accordance with the Government Finance Officers Association's (GFOA) standards for the Certificate of Achievement for Excellence in Financial Reporting awards program. Management intends to submit the June 30, 2003 CAFR to the GFOA awards program for review. If awarded the certificate for the June 30, 2003 CAFR, this would be the agency's sixth consecutive award. Additionally, MAG is one of only 10 Councils of Governments (COGs) currently holding this award out of approximately 500 Councils of Governments nationwide. The final CAFR is currently in the production stage and awaiting the auditor opinion and will be provided to members when completed.

PUBLIC INPUT:

No public input has been received.

PROS & CONS:

PROS: MAG is required by its By-laws and federal regulations to have an audit performed for all major federal programs on an annual basis. The audit must be performed in compliance with the provisions described in the U.S. Office of Management and Budget ("OMB") Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

CONS: None.

TECHNICAL & POLICY IMPLICATIONS:

TECHNICAL: Deloitte & Touche LLP conducted the audit in accordance with Generally Accepted Auditing Standards (GAAS), and the standards applicable to financial audits contained in the Government Audit Standards, issued by the Comptroller General of the United States and the provisions of OMB Circular A-133. MAG is awaiting the final audit opinion.

POLICY: Pursuant to Article 12, Section 5 of the MAG By-laws, the annual audit must be presented to the Regional Council.

ACTION NEEDED:

Information and discussion.

PRIOR COMMITTEE ACTIONS:

None.

CONTACT PERSON:

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